

Disaster Preparedness for Small and Medium Businesses



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James River at Richmond, Va., Main Street Facing West, August 23, 1969 (Courtesy, Richmond Times Dispatch)





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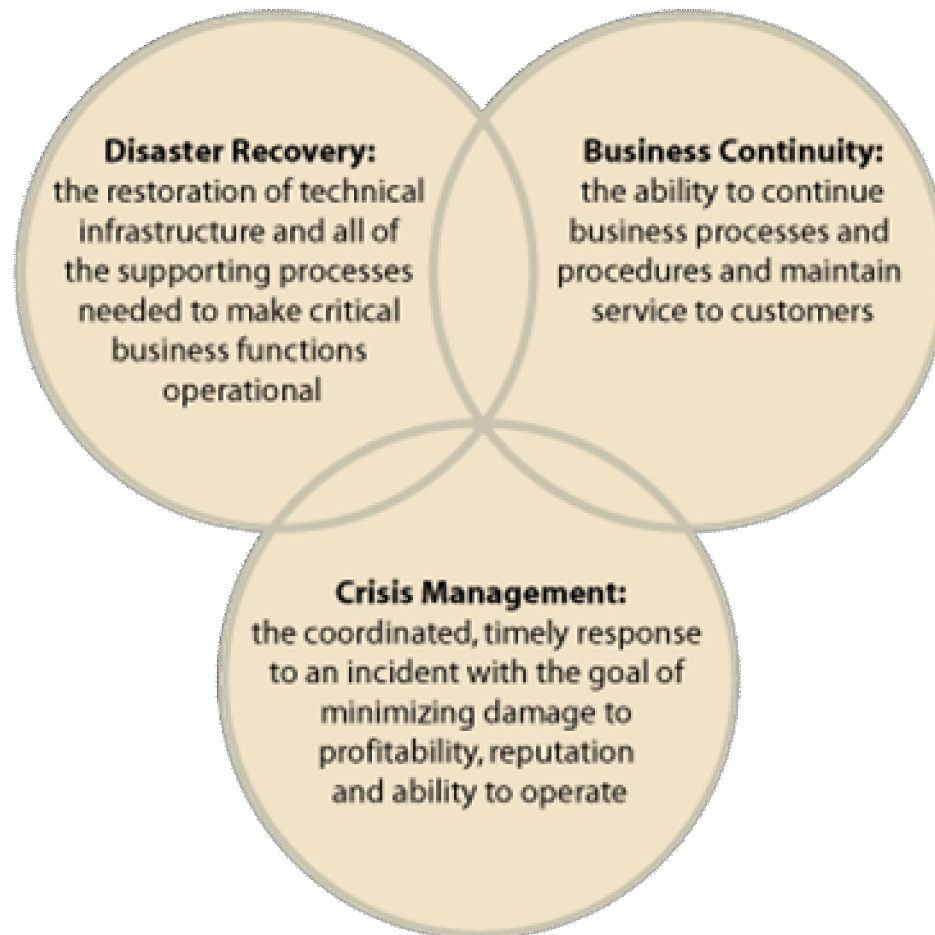


Agenda

- Introduction
- What is Business Continuity Planning?
- Reasons Businesses Need to Prepare
- Impacts of Not Preparing
- How To Get Started Planning
- How To Educate Businesses
- Helpful Resources
- Closing



Business Continuity Planning Services





Why Is It Critical for Small and Medium Businesses to Prepare?

America's businesses form the backbone of the nation's economy; small businesses alone account for more than:

- **99% of all companies with employees**
- **employ 50% of all private sector workers and**
- **provide nearly 45% of the nation's payroll.**

(Source: USINFO.STATE.GOV)



Impact of Disasters

- 40% of all companies that experience a disaster never reopen and over 25% of the remaining companies close within two years. (Source: U.S. Department of Labor Statistics)
- 93% of companies that lose their data center for 10 days or more due to a disaster file for bankruptcy within one year after the disaster. 50% file immediately.

(Source: U.S. Bureau of Labor Statistics)



Benefits of Disaster Planning for Businesses

- ✓ Improve efficiency of daily operations
- ✓ Reduce insurance costs
- ✓ Provides market advantage over competitors who unprepared



Planning Process





Process Steps

Crisis Management Plan: Provides for coordination of critical resources to immediately respond to any business disruption or disaster. This can be done before or after the Risk Assessment and BIA.

Risk Assessment: Identifies the risks to an organization and the probability of those risks occurring.

Business Impact Analysis (BIA): Identifies key business processes and the impact to the company if they are unavailable. Details resources needed to restore the business. Allows for the prioritization of business functions.



Process Steps (Con't.)

Business Recovery Plan: Details the resources and actions needed to recovery a business unit. Includes teams and contact information. (Ex. Going to an alternate work location, workaround procedures, replacement resources.)

IT Disaster Recovery Plan: Details the resources and actions needed to recovery the IT functionality that supports the business. Includes teams and contact information.

Test and Maintain: These actions include performing exercises to validate plans and performing periodic reviews and updates to ensure plans stay current.



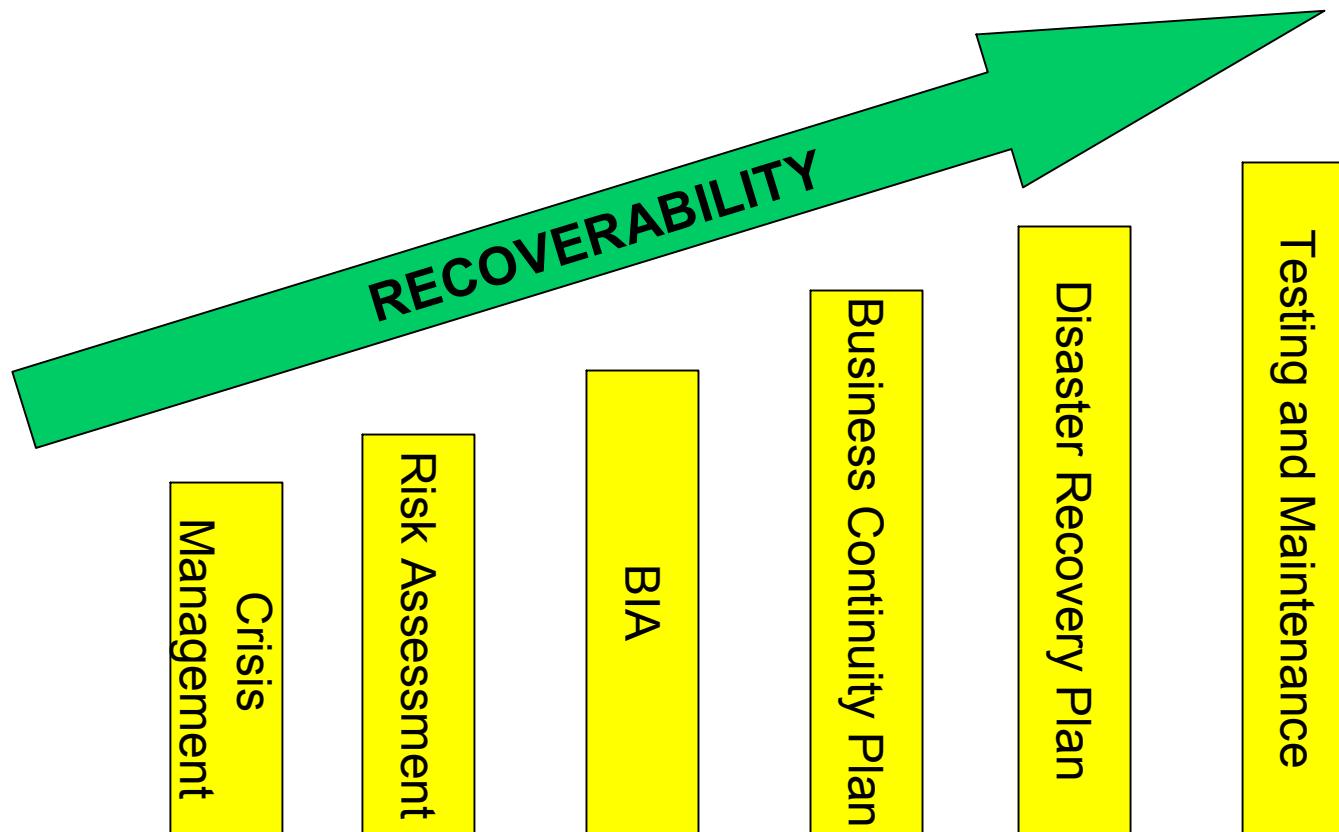
Educating Businesses

Key Messages

1. A little bit of planning goes a long way –
Don't try to do everything at once!
2. Do not be the single point of failure.
3. Work as a team!
4. Use your resources.
5. Know when to ask for help.



Each Step Increases Recoverability





Helpful Resources

- **Virginia Business Emergency Survival Toolkit:** A web page put together by the Virginia Department of Emergency Management that has a lot of good resources to help businesses prepare for disasters. Link: <http://www.vaemergency.com/business/index.cfm>
- **The Open for Business Toolkit:** The Institute for Business & Home Safety (IBHS) has put together a free resource to help businesses to prepare for disaster. Link: http://www.ibhs.org/business_protection/
- **Business Recovery:** The Federal Emergency Management Agency has put together a checklist for the types of information that should be in your plans. Link: <http://www.fema.gov/business/recovery.shtm>
- **Ready Business:** The Department of Homeland Security has put together some free resources for small and medium businesses to prepare for disasters. Link: www.ready.gov/business/index.html



Thank You!

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